



APPLICABLE PRICING SUPPLEMENT

ABSA BANK LIMITED

(Incorporated in the Republic of South Africa with limited liability with company registration number 1986/004794/06)

**Issue of ZAR 50,000,000 GrowthPoint Properties Ltd Credit-Linked Notes due 11 April 2023
under its ZAR40,000,000,000 Master Structured Note Programme approved by the JSE Limited t/a
The Johannesburg Stock Exchange**

This Applicable Pricing Supplement must be read in conjunction with the Master Structured Note Programme Memorandum dated 7 November 2018 and registered with the JSE on or about 31 October 2018, as amended and/or supplemented from time to time ("the Master Programme Memorandum"), prepared by Absa Bank Limited in connection with the Absa Bank Limited ZAR40,000,000,000 Master Structured Note Programme.

With effect from the date on which this Applicable Pricing Supplement is signed, this Applicable Pricing Supplement shall replace and supersede any previous Applicable Pricing Supplement in all respects and this Applicable Pricing Supplement shall constitute the only pricing supplement relating to the Notes of this Tranche.

Any capitalised terms not defined in this Applicable Pricing Supplement have the meanings ascribed to them in Section II-A of the Master Programme Memorandum headed "*Terms and Conditions of the Notes*", as amended by the Applicable Product Supplement.

This document constitutes the Applicable Pricing Supplement ("this Applicable Pricing Supplement") relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as replaced, amended and/or supplemented by the Applicable Product Supplement and/or this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the provisions of this Applicable Pricing Supplement and the provisions of the Master Programme Memorandum and/or the Applicable Product Supplement, the provisions of this Applicable Pricing Supplement will prevail for purposes of the Notes described herein.

This Applicable Pricing Supplement supersedes any previous pricing supplement, confirmation, term sheet or other communication with respect to the Notes described herein.

The Holders of the Notes should ensure that: (i) they fully understand the nature of the Notes and the extent of their exposure to risks, and (ii) they consider the suitability of the Notes as an investment in the light of their own circumstances and financial position.

The Notes involve a high degree of risk, including the risk of losing some or a significant part of the Noteholder's initial investment. A Noteholder should be prepared to sustain a total loss of its investment in the Notes. The Notes represent general, unsecured, unsubordinated, contractual obligations of the Issuer and rank *pari passu* in all respects with each other.

Noteholders are reminded that the Notes constitute obligations of the Issuer only and of no other person. Therefore, potential Noteholders should understand that they are relying on the credit worthiness of the Issuer.

| DESCRIPTION OF THE NOTES | | |
|--------------------------|--|--|
| 1. | Issuer: | Absa Bank Limited ("Absa") |
| 2. | Applicable Product Supplement: | 2014 Credit Linked Notes Applicable Product Supplement contained in Section IV-B of the Master Programme Memorandum. |
| 3. | Status of Notes: | Unsubordinated and Unsecured. (The default status of the Notes under the Master Structured Note Programme is 'unsubordinated and unsecured' per Condition 5 (Status of Notes) of the Master Programme Memorandum.) |
| 4. | Listing: | Listed Notes |
| 5. | Issuance Currency: | ZAR (South African Rand) |
| 6. | Series Number: | 2021-40 |
| 7. | Tranche Number: | 1 |
| 8. | Aggregate Nominal Amount: | |
| | (a) Series: | ZAR 50,000,000.00 (Fifty Million South African Rand) |
| | (b) Tranche: | ZAR 50,000,000.00 (Fifty Million South African Rand) |
| 9. | Interest: | Interest-bearing |
| 10. | Interest Payment Basis: | Floating Rate Notes |
| 11. | Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another: | Not Applicable |

| | | |
|-----|---|--|
| 12. | Form of Notes: | Registered listed Notes: The Notes in this Tranche will be issued in uncertificated form and held by the CSD. |
| 13. | Issue Date: | 09 April 2021 |
| 14. | Trade Date: | 31 March 2021 |
| 15. | Specified Denomination: | ZAR1,000,000 per Note. |
| 16. | Issue Price: | 100% |
| 17. | Interest Commencement Date | Issue Date |
| 18. | Maturity Date: | 11 April 2023 |
| 19. | Applicable Business Day Convention: | Following Business Day Convention. |
| 20. | Business Days: | Johannesburg |
| 21. | Final Redemption Amount: | ZAR 50,000,000.00 (Fifty Million South African Rand) |
| 22. | Credit Event Backstop Date: | Not Applicable |
| 23. | Last Date to Register: | 11 calendar days before each Floating Interest Payment Date, i.e. each of the 29 th March, 28 th June, 28 th September and 29 th December in each year or if such day is not a Business Day then the close of business on the Business Day immediately preceding the first day of a books closed period during the period commencing on the Issue Date and ending on the Maturity Date |
| 24. | Books Closed Periods: | The Register will be closed from 10 calendar days before each Floating Interest Payment Date i.e. 30 th March, 29 th June, 29 th September and 30 th December in each year until the Maturity Date. |
| 25. | Value of aggregate Nominal Amount of all Notes issued under the Structured Note Programme as at the Issue Date: | ZAR 36,290,810,848.63 |

| | | |
|---------------------------|---|---|
| FLOATING RATE LEG: | | |
| 26. | (a) Floating Interest Payment Dates: | Means each of the 9 th of April, 9 th of July, 9 th of October and 9 th of January in each year with the first Floating Interest Payment Date being 9 th of July 2021, ending on the Maturity Date or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention (as specified in this Applicable Pricing Supplement), |
| | (b) Minimum Interest Rate: | Not Applicable |
| | (c) Maximum Interest Rate: | Not Applicable |
| | (d) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision): | Day Count Fraction is Actual/365 (fixed) |
| | (e) Manner in which the Interest Rate is to be determined: | Screen Rate Determination |
| | (f) Margin: | 155 basis points (1.55%) to be added to the relevant Reference Rate |
| | (h) If Screen Determination: | |
| | (i) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) : | ZAR-JIBAR-SAFEX (3 months) |

| | |
|---|--|
| (ii) Interest Rate Determination Dates: | The first Interest Determination Date will be the Issue Date i.e. 09 th of April 2021, thereafter on 9 th April, 9 th July, 9 th October and 9 th January in each calendar year, during the term of the Notes, commencing on the Issue Date and ending on the Maturity Date or if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention. |
| (iii) Relevant Screen Page and Reference Code: | Reuters RIC <SFX3MYLD> on Reuters Page "SAFEY" (Page number ZA01209). |
| (i) If Interest Rate to be calculated otherwise than Screen Determination, insert basis for determining Interest Rate/Margin/Fallback provisions: | Not Applicable |
| (j) Calculation Agent responsible for calculating amount of principal and interest: | Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof, acting in good faith and in a commercially reasonable manner. |
| (k) Interest Period | Each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) the following Interest Payment Date (each Interest Payment Date as adjusted in accordance with Following Business Day Convention). |
| CREDIT EVENT REDEMPTION: | |
| 27. Type of Credit Linked Note: | Single Name CLN |
| 28. Redemption at Maturity: | Final Redemption Amount |

| | |
|---|--|
| 29. Redemption following the occurrence of Credit Events: | Applicable |
| 30. Extension interest: | Not Applicable |
| 31. Reference Entity: | GrowthPoint Properties Limited |
| 32. Financial Statements of the Reference Entity: | The notes issued by the issuer of each Reference Obligation are listed on the interest rate market of JSE and as per rule 4.30(c)(i) of the JSE Debt Listings Requirements, no additional information is required to be provided herein |
| 33. Standard Reference Obligation: | Not Applicable |
| 34. Reference Obligation: | <p>The obligation identified as follows:</p> <p>Primary Obligor: GrowthPoint Properties Limited</p> <p>Maturity: 24 June 2023</p> <p>CUSIP/ISIN: ZAG000168949</p> |
| 35. Transaction Type: | Not Applicable |
| 36. All Guarantees: | Not Applicable |
| 37. Conditions to Settlement: | <p>Applicable</p> <p>Credit Event Notice: Applicable</p> <p>Notice of Publicly Available Information: Applicable</p> |
| 38. Credit Events: | <p>The following Credit Events apply:</p> <p>Bankruptcy</p> <p>Failure to Pay</p> <p>Grace Period Extension: Applicable</p> <p>Grace Period: 30 calendar days</p> <p>Payment Requirement: ZAR10,000,000</p> <p>Repudiation/Moratorium</p> <p>Restructuring</p> <p>Mod R: Not Applicable</p> <p>Mod Mod R: Not Applicable</p> <p>Multiple Holder Obligation: Applicable</p> |

| | | |
|---|---|---|
| | Default Requirement: ZAR10,000,000 | |
| 39. Credit Event Accrued Interest: | Not Applicable | |
| 40. Obligations: | Obligation Category: Bond or Loan Obligation Characteristics: Not Subordinated Specified Currency: ZAR | |
| 41. Excluded Obligations: | Not Domestic Currency and Not Domestic Law | |
| 42. Issuer CLN Settlement Option: | Not Applicable | |
| 43. (a) CLN Settlement Method | Physical Settlement | |
| (b) Credit Event Redemption Amount: | Means in respect of each Physically Delivered CLN, such Deliverable Obligations with a Due and Payable Amount or an Outstanding Principal Balance in an aggregate amount (excluding any accrued and unpaid interest) equal to: <ul style="list-style-type: none"> (i) The Aggregate Nominal Amount of the Notes outstanding as of the relevant Event Determination Date; minus (ii) a Due and Payable Amount or an Outstanding Principal Balance of such Deliverable Obligations with a market value determined by the Calculation Agent equal to such Note's pro rata share of the Settlement Expenses and Swap Costs. | |
| (c) Deliverable Obligations: | Deliverable Obligation Category: | Deliverable Obligation Characteristics: |
| | Bond or Loan | Not Subordinated |
| | | Not Contingent |
| | | Transferable |
| | | Not Bearer |
| PROVISIONS REGARDING REDEMPTION / MATURITY | | |
| 44. Redemption at the option of the Issuer: | Yes In the event that any one of the Domestic Medium Term Note Programmes of the Reference Entity are redeemed in part or full such that the Reference Obligation and/or the Deliverable | |

| | |
|--|--|
| | <p>Obligations referenced in this Note become early redeemed by the Reference Entity and are no longer available (the “Affected Obligations”), the Issuer shall be entitled to:</p> <p>(i) replace the Affected Obligations with new Deliverable Obligations to act as the new Reference Obligation for purposes of the Note; provided that same bears Deliverable Characteristics substantially the same as those of the Reference Obligation (the “Replacement Deliverable Obligations”).</p> <p>The replacement event described in sub-clause (i) above, shall be subject to the Issuer having obtained the approval of at least 66.67% of the Noteholders, which consent shall not be unreasonably withheld (the “Replacement Event Consent”).</p> <p>In the event that:</p> <p>(a) the Issuer is unable to obtain the Replacement Event Consent described above; or</p> <p>(b) the Issuer is unable to replace and/or acquire the Replacement Deliverable Obligations (in part or in full),</p> <p>the Issuer shall early redeem the affected portion of the Note and pay the Noteholder the Early Redemption Amount determined and calculated by the Calculation Agent in accordance with Condition 8.5 of the Terms and Conditions of the Notes.</p> |
| 45. Redemption at the Option of Noteholders: | No |
| 46. Early Redemption Amount(s) payable on redemption for taxation reasons, Change in Law or on Event of Default (if required): | Yes |
| If yes: | |
| (a) Amount payable; or | The Early Redemption Amount determined and calculated by the Calculation Agent in accordance with Condition 8.5 of the Terms and Conditions of the Notes. |
| (b) Method of calculation of amount payable: | Not Applicable |

| | |
|--|--|
| GENERAL | |
| 47. Financial Exchange: | JSE Limited t/a The Johannesburg Stock Exchange |
| 48. Calculation & Paying Agent | Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof. |
| 49. Calculation Agent City: | Johannesburg |
| 50. Specified office of the Calculation & Paying Agent: | 15 Alice Lane Sandton 2196 Gauteng Republic of South Africa |
| 51. Settlement Agent: | Absa Bank Limited |
| 52. Specified office of the Settlement Agent: | 2nd Floor, North Towers, 160 Jan Smuts Avenue, Rosebank, 2196 |
| 53. Additional selling restrictions: | Not Applicable |
| 54. ISIN No.: | ZAG000175415 |
| 55. Stock Code: | ASN596 |
| 56. Method of distribution: | Private Placement |
| 57. If syndicated, names of Managers: | Not Applicable |
| 58. If non-syndicated, name of Dealer: | Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof. |
| 59. Governing law: | The laws of the Republic of South Africa |
| 60. Issuer Rating on Issue Date: | Issuer Rating: zaAA being the National Long-Term Credit Rating as assigned by Standard & Poor's on 26 November 2019 and to be reviewed by Standard & Poor's from time to time. |
| 61. Issuer Central Securities Depository Participant (CSDP): | Absa Bank Limited |

| | |
|--------------------------------|---|
| 62. Debt Listing Requirements: | In accordance with Section 4.17 of the Debt Listing Requirements, the Issuer confirms that the Programme Amount has not been exceeded at the time of the issuing of the Notes. |
| 63. Other Provisions: | <p>Condition 9 titled “<i>Taxation</i>” in the section II-A of the Master Programme Memorandum titled “<i>Terms and Conditions of the Notes</i>” is amended in relation to this Tranche of Notes by (i) the replacement of the words after the dash in Condition 9.3 with the words “<i>provided that this exception shall only apply to that portion of the withholding or deduction which could lawfully have been so reduced</i>”, (ii) the deletion of Condition 9.8 and (iii) the insertion of the following additional paragraphs immediately after Condition 9.7:</p> <p>“9.8 where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC (or any other directive implementing the conclusions of the 2312th Economic and Financial Affairs Council (ECOFIN) meeting of 26 and 27 November 2000) on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such directive; or</p> <p>9.9 held by or on behalf of a Noteholder in circumstances where such party could lawfully reduce the amount of taxation otherwise levied or leviable upon the principal or interest by virtue of any tax treaty or non-South African tax laws applicable to such Noteholder, whether by way of a tax credit, rebate deduction or reduction equal to all or part of the amount withheld or otherwise, and whether or not it is actually claimed and/or granted and/or allowed; or</p> <p>9.10 in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature which are payable otherwise than by withholding from payment of principal or interest, if any, with respect to such Note; or</p> <p>9.11 where any combination of the scenarios or occurrences contemplated in Conditions 9.1 to 9.10 above occurs.</p> <p>The Issuer is not liable for or otherwise obliged to pay any taxes that may arise as a result of the ownership, transfer or redemption of any Note.</p> <p>If the Issuer becomes subject generally at any time to any taxing jurisdiction, authority or agency other than or in addition to South Africa, references in Conditions 8.2 (<i>Redemption for Tax Reasons or due to a Change in Law</i>) and 9 (<i>Taxation</i>) to South Africa shall be read and construed as references to South Africa and/or to such other jurisdiction, authority or agency.”</p> |

| | |
|---|---|
| <p>64. Material Change in Financial or Trading Position</p> | <p>Since the date of the Issuer's latest unaudited interim financial statements for the reporting period ended 30 June 2020 (dated 24 August 2020), the Issuer confirms that as at the date of this Applicable Pricing Supplement, there has been a material change in the financial position of the Absa Group as set out in the trading statement published via SENS by the Issuer's parent company, Absa Group Limited, on Thursday, 19 November 2020 (below see the link to the trading statement). Subsequent to the publication of the said SENS, there has been no further material change in the financial or trading position of the Issuer or the Absa Group. As at the date of this Applicable Pricing Supplement, there has been no involvement by Ernst & Young, the auditor of the Issuer, in making the aforementioned statement.</p> <p>Link to trading statement: https://www.absa.africa/content/dam/africa/absaafrica/pdf/sens/2020/sens-absa-group-market-update%20-19-nov-2020.pdf</p> |
|---|---|

Responsibility:


The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that this Applicable Pricing Supplement contains all information required by law and the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement and the annual financial report, the amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

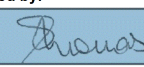
The JSE takes no responsibility for the contents of the Applicable Pricing Supplement and the annual financial report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Applicable Pricing Supplement and the annual financial report of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the debt securities is not to be taken in any way as an indication of the merits of

the Issuer or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

Application is hereby made to list this issue of Notes on 09th of April 2021.

ABSA BANK LIMITED

DocuSigned by:

77B435C412274C0...
Name: Makhanani Sithole
Capacity: Confirmations Specialist
Date: 01-04-2021 | 16:59:27 PM SAST

DocuSigned by:

6415A353917842C...
Name: Shamila Thomas
Capacity: Confirmations Specialist
Date: 01-04-2021 | 17:10:20 PM SAST